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CURRENT MINNESOTA LABOR MARKET CONDITIONS

December 1985 Supplement to the Review of Labor and Economic Conditions

Prepared by the Research and Statistics Office, MN Dept. of Jobs and Training, 390 N. Robert St., St. Paul, MN 55010, in cooperation with the U.S. Dept of Labor, Bureau of Labor Statistics, and Employment and Training Adm

Nation

Although the Nation's economy appeared to improve in November, the apparent strength in some of the numbers was the result of recoveries from declines in October. Because consumption has grown faster than income and comsumers are left with heavy debt and little savings, many economists expect sluggish growth to continue through the first half of 1986.

Developments in the labor market were somewhat mixed in November as the unemployment rate fell while both total and nonfarm payroll employment rose very slowly. The seasonally adjusted unemployment rate fell 0.1 of a point to 7.0 percent in November, the first decline since August. Meanwhile, seasonally adjusted total employment rose only 60,000 in November after considerably larger gains in earlier months. Also, adjusted payroll employment climbed a modest 182,000 following increases averaging 245,000 per month in the previous twelve months. The slower growth in payroll employment in November was partly due to a drop in retail trade and very little increase in construction. A bright spot was that factory employment rose for the second straight month in November suggesting that the long decline in manufacturing may have ended.

Other economic reports for November were suggestive of a slow growing economy. The gains in sales, production and consumption were rebounds from declines in October. Also, housing starts fell sharply in November. Moreover, the index of leading indicators rose only 0.1 percent after increases of 0.4 percent in both October and September.

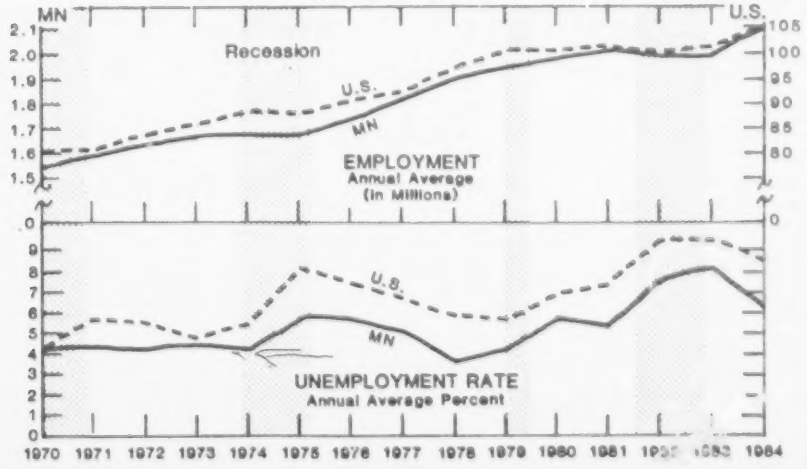
State

The Minnesota economy continued to show a mixture of trends as both employment and unemployment rose again in November. However, the size of the unemployment increase may have been overstated.

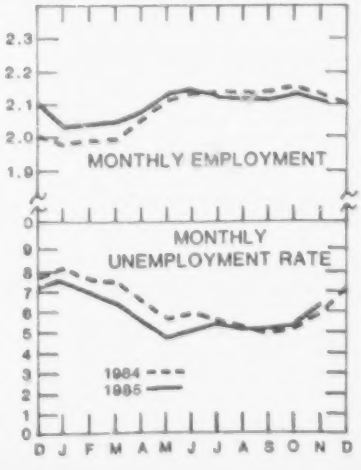
Minnesota's seasonally adjusted unemployment rate rose by a steep half a point to 6.8 percent in November, the sixth consecutive monthly rise and the highest rate since the 7.0 percent in January 1984. Although department analysts agree that unemployment has been on the rise since June when the rate was 5.0 percent, they believe that the magnitude of the increase has been exaggerated because of adjustments required by federal regulations. On the other hand, seasonally adjusted total employment climbed for the second month in a row, rising by 4,700 after a jump of 22,500 in October. Also, seasonally adjusted nonfarm payroll employment posted its largest gain since July, rising by 4,400. Most of the November increase in payroll jobs took place in the trade and services industries. Employment in manufacturing declined for the eighth time in the past eleven months while construction employment fell for the second month in a row in November. Over-the-year, payroll employment was up by 24,000 as increases of 14,000 in services, 6,800 in government and 5,400 in trade offset a large decline of 10,000 in manufacturing. Almost 85 percent of the over-the-year drop in manufacturing employment occurred in durable goods, particularly in computer manufacturing and in electrical machinery.

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	November 1985	Change From Last Mo.	Change From Year Ago	November 1985	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2,248.6	1.8	-21.2	115.9	-0.8	2.0
Employed	2,105.0	-23.6	-27.9	107.9	-0.7	2.1
Unemployed	143.6	25.4	6.7	8.0	-0.1	-0.1
Unemployment Rate						
Actual	6.4	1.1	0.4	6.9	0.0	-0.2
Seasonally Adjusted	6.8	0.5	0.4	7.1	0.1	-0.3

MN and the U.S., Employment & Unemployment Rate



MN, 1984 and 1985



Labor Market Conditions

MINNESOTA NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Nov. 1985	Oct. 1985	Nov. 1984	Oct. 1985	Nov. 1984	Nov. 1985	Oct. 1985	Nov. 1985	Oct. 1985	Nov. 1985	Oct. 1985
Total Nonagricultural	1,905.6	1,911.5	1,881.3	-0.3	1.3						
Manufacturing	370.4	375.2	380.4	-1.3	-2.6	404.15	404.40	10.18	10.11	39.7	40.0
Durable Goods	221.1	224.7	229.7	-1.6	-3.8	417.75	418.72	10.47	10.39	39.9	40.3
Lumber and Furniture	17.1	17.4	17.0	-1.6	0.5	415.42	413.01	10.79	10.59	38.5	39.0
Stone, Clay and Glass	8.0	8.3	9.1	-4.2	-12.2	398.70	401.10	10.41	10.50	38.3	38.2
Primary Metals	5.7	5.7	6.1	0.4	-7.1	364.45	353.08	9.18	9.10	39.7	38.8
Fabricated Metals	34.9	35.3	35.5	-1.2	-1.7	465.35	462.38	11.35	11.25	41.0	41.1
Nonelectrical Machinery	90.1	91.3	94.4	-1.3	-4.5	438.99	446.72	11.03	11.03	39.8	40.5
Office and Computing	46.8	47.5	49.6	-1.4	-5.7	483.14	502.53	11.90	12.08	40.6	41.6
Electrical Machinery	26.2	27.4	28.1	-4.3	-6.9	333.60	329.22	8.34	8.21	40.0	40.1
Transportation Equipment	6.4	6.4	6.3	-0.7	-3.4	518.15	501.48	12.05	11.94	43.0	42.0
Scientific Instruments	27.3	27.4	27.6	-0.3	-1.0	390.46	409.77	9.86	9.97	39.6	41.1
Miscellaneous Manufacturing	5.5	5.6	5.3	-1.6	2.8	375.97	364.97	9.17	9.17	41.0	39.8
Nondurable Goods	149.3	150.5	150.7	-0.8	-0.9	386.71	386.10	9.79	9.75	39.5	39.6
Food and Kindred	45.0	45.8	46.8	-1.8	-3.9	352.80	345.70	8.40	8.33	42.0	41.5
Textiles and Apparel	4.4	4.5	5.1	-2.9	-14.3	241.80	234.24	6.20	6.10	39.0	38.4
Paper and Allied	33.5	33.5	34.2	-0.1	-2.2	497.42	496.52	11.90	11.85	41.8	41.9
Printing and Publishing	42.9	42.8	40.7	0.2	5.4	372.24	381.55	10.34	10.34	36.0	36.9
Chemicals and Petroleum	10.2	10.2	10.0	-0.7	2.2	437.28	451.67	11.27	11.32	38.8	39.9
Rubber, Plastic and Leather	13.4	13.6	13.9	-1.5	-3.8	318.20	315.13	8.60	8.54	37.0	36.9
Nonmanufacturing	1,535.3	1,536.3	1,500.8	-0.1	2.3						
Mining	8.7	9.2	8.4	-5.8	2.9	486.07	476.02	12.56	12.56	38.7	37.9
Metal Mining	6.3	6.6	6.3	-4.8	1.0	502.69	488.96	13.66	13.62	36.8	35.9
Construction	78.9	84.1	78.1	-6.1	1.1	573.40	605.22	15.25	15.40	37.6	39.3
Transport., Comm., & Pub. Util	100.5	100.9	98.5	-0.4	2.1						
Transportation	65.9	66.3	63.4	-0.5	4.0						
Trucking and Warehousing	27.0	26.9	26.3	0.5	2.7	373.20	391.07	11.59	11.57	32.2	33.8
Communication and Public Util	34.6	34.7	35.1	-0.3	-1.4	547.07	553.60	13.78	13.84	39.7	40.0
Trade	483.4	480.4	478.1	0.6	1.1	227.50	228.60	7.66	7.62	29.7	30.0
Wholesale	119.9	120.3	118.7	-0.4	1.0	393.47	385.57	10.22	10.12	38.5	38.1
Retail	363.5	360.0	359.4	1.0	1.2	181.27	182.71	6.64	6.62	27.3	27.6
Building Materials	18.2	18.4	18.0	-1.1	1.4	306.31	314.02	8.58	8.51	35.7	36.9
General Merchandise	54.3	51.2	55.7	6.0	2.5	166.70	171.44	6.22	6.28	26.8	27.3
Food Stores	48.2	47.9	47.2	0.6	2.1	194.03	196.42	7.03	6.99	27.6	28.1
Automotive	39.3	39.4	37.0	-0.2	6.1	349.69	350.25	9.35	9.39	37.4	37.3
Apparel	17.7	17.5	17.9	1.1	-1.3	125.61	128.96	5.30	5.20	23.7	24.8
Home Furnishings	14.0	13.9	12.7	0.6	10.5	223.80	224.25	7.29	7.45	30.7	30.1
Eating and Drinking	122.7	123.5	121.6	-0.6	0.8	104.36	104.40	4.68	4.64	22.3	22.5
Fin., Insur., Real Est.	111.1	110.9	106.8	0.1	4.0						
Finance	52.0	51.7	49.7	0.5	4.6						
Insurance	40.7	40.6	39.0	0.4	4.3						
Real Estate	18.4	18.7	18.1	-1.4	1.7						
Services	444.2	446.3	429.8	-0.5	3.4						
Personal Services	22.0	21.9	19.9	0.6	10.9						
Business Services	83.1	83.0	79.0	0.2	5.2						
Repair Services	20.3	20.2	19.5	0.5	4.2						
Health Services	138.5	138.3	136.1	0.1	1.7						
Hospitals	48.2	48.1	48.9	0.2	-1.5						
Nursing Homes	39.8	39.7	39.1	0.4	1.7						
Legal Services	12.6	12.5	11.7	0.9	8.2						
Private Education	25.8	25.5	25.1	1.1	2.9						
Government	308.5	304.5	301.2	1.3	2.4						
Federal	31.5	31.5	30.9	0.3	2.2						
State	78.6	76.9	76.1	2.3	3.2						
Education	44.1	42.5	42.1	3.9	4.8						
Local	198.3	196.2	194.2	1.1	2.1						
Education	106.9	104.1	104.0	2.7	2.8						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Selected Minnesota Program Statistics

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

Over-the-month, total claimants for unemployment benefits rose somewhat less in percentage terms than they usually do in November, increasing by 23 percent compared to an average rise of 28 percent in November over the past seven years. Sixty percent of the November numerical gain of 7,079 took place in the construction and manufacturing industries. Claimants in construction rose faster than normal in November while claimants in manufacturing climbed considerably slower than they usually do in November. Over-the-year, total claimants increased by 7,193 or 24 percent in November. Four-fifths of the over-the-year gain occurred in the manufacturing sector where claimants rose by a steep 68.4 percent.

Table 1. Distribution of Insured Unemployed, by Age and Sex, November 1985.

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	37,691	67.9	100.0	100.0
Under 45	28,921	68.6	77.6	74.8
Under 25	6,618	68.5	17.7	17.2
25-34	13,938	70.3	38.3	34.2
35-44	8,365	66.1	21.6	23.4
45 and Over	8,770	65.3	22.4	25.2
45-54	5,001	65.2	12.8	14.4
55 and Over	3,769	65.4	9.6	10.8

TABLE 2. Distribution of Insured Unemployed by Industry and Occupation, November 1985.

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term1/ Unemployed	Women as Percent of Total
Total, All Industries	37,691	100.0	17.6	32.1
Ag., For., Fish.	854	2.3	4.3	19.7
Mining	1,455	3.9	7.1	6.9
Construction	457	14.5	4.2	5.2
Manufacturing	14,2[illegible]	37.9	[illegible].1	34.8
Public Utilities	1,360	[illegible]	[illegible].6	24.4
Wholesale Trade	2,372	6.3	21.7	25.6
Retail Trade	3,805	10.1	20.1	42.0
Finance, Insurance, Real Estate	926	2.4	23.8	58.2
Services	5,711	15.1	21.4	52.[illegible]
Public Admin.	961	2.5	13.9	42.6
Info. Not Available	513	1.4	1.0	28.9
Total, All Occupations	37,691	100.0	17.6	32.1
Prof., Tech., Mgr.	5,489	14.5	28.2	37.6
Clerical	3,873	10.3	25.7	79.1
Sales	1,523	4.0	23.6	30.5
Services	2,626	7.0	15.6	57.8
Farm., For., Fish.	768	2.0	2.9	15.4
Processing	1,593	4.2	9.6	26.8
Machine Trades	3,226	8.6	20.1	15.4
Benchwork	5,617	14.9	21.9	52.4
Structural Work	7,087	18.8	7.1	3.9
Miscellaneous	5,716	15.2	12.9	11.9
Info. Not Available	173	0.5	17.1	42.9

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., wehereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand

Occupation	Applicants (Supply) Nov. 1985	Applicants (Demand) Nov. 1985	Supply/Demand Ratio	
			Nov. 1985	Nov. 1984
Total	102,562	15,117	6.8	6.3
Prof., Tech., Mgr.	13,428	1,660	8.1	9.1
Clerical	17,705	2,921	6.1	5.8
Sales	5,492	1,941	2.8	2.9
Domestic Services	1,521	148	10.3	9.8
Other Services	15,932	4,044	3.9	4.2
Farm., Fish., For.	2,060	354	5.8	8.5
Processing	2,042	783	2.6	2.0
Machine Trades	7,290	559	13.0	9.8
Benchwork	7,775	520	15.0	10.0
Structural Work	12,771	604	21.1	15.0
Mtr. Frght., Trans.	4,369	707	6.2	6.4
Pkg. & Mat. Hndlg.	11,137	787	14.2	8.0
Other	1,040	89	11.7	15.3

1/ Inexperienced and improperly coded job applicants are not included in this table.

Analysis of Local Conditions

CENTRAL AND NORTHWEST MINNESOTA

by Ron Daws

LABOR FORCE ESTIMATES									
AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	Nov '85	Oct 1985	Nov. 1984	Nov. 1985	Oct. 1985	Nov 1984	Nov '85	Oct. '85	Nov '84
St. Cloud MSA 1/	82045	81149	81772	7082	5004	6605	8.6	6.2	8.1
REGION 1	43979	46943	47541	4047	2908	4514	9.3	6.2	9.5
Kittson	3309	3348	3443	285	191	288	8.6	5.7	8.4
Marshall	6098	6088	6440	734	464	773	12.0	7.6	12.0
Norman	4552	4642	4612	296	199	284	6.5	4.3	6.2
Pennington	6380	6287	6434	615	413	529	9.6	6.6	8.2
Polk	17093	17751	17931	1318	1087	1470	7.7	6.1	8.2
Red Lake	2208	2183	2225	333	218	299	15.1	10.0	13.4
Rosseau	6547	8644	6456	466	336	871	7.1	5.1	13.5
REGION 2	30879	30851	32170	3327	2386	3656	10.8	7.7	11.4
Beltrami	16730	16702	17156	1494	1066	1657	8.9	6.4	9.7
Clearwater	4000	3913	4152	714	443	746	17.9	11.3	18.0
Hubbard	5516	5580	5957	666	519	705	12.1	9.3	11.9
Lake of Woods	1951	1950	1947	166	138	201	8.5	7.1	10.3
Mahnomen	2682	2706	2958	287	220	346	10.7	8.1	11.7
REGION 4	101018	101746	102688	7338	5146	7409	7.3	5.1	7.2
Becker	12060	122122	12615	1119	903	1378	9.3	7.4	10.9
Clay	29081	28937	29000	1379	905	1260	4.7	3.1	4.3
Douglas	14144	14122	13971	1198	840	1059	8.5	5.9	7.6
Grant	3498	3529	3517	222	151	217	6.3	4.3	6.2
Otter Tail	23994	24484	25308	2143	1519	2291	8.9	6.2	9.1
Pope	5498	5577	5537	465	320	435	8.5	5.7	7.9
Stevens	5875	5942	5892	336	212	323	5.7	3.6	5.5
Traverse	2692	2787	2814	200	97	194	7.4	3.5	6.9
Wilkin	4176	4246	4234	276	199	252	6.6	4.7	6.0
REGION 5	57601	58096	58322	5885	4309	6190	10.2	7.4	10.6
Cass	10286	10354	10460	1164	540	1230	11.3	8.1	11.8
Crow Wing	17783	17945	17530	1831	1389	1846	10.3	7.7	10.5
Morrison	12903	12989	13217	1404	1020	1515	10.9	7.9	11.5
Todd	11158	11353	11530	965	713	1032	8.6	6.3	9.0
Wadena	5471	5452	5585	521	347	573	9.5	6.4	10.3
REGION 6E	58168	58977	58928	4581	3452	4183	7.9	5.9	7.1
Kandiyohi	18570	18824	18947	1131	974	1238	6.1	5.2	6.5
McLeod	17166	17055	17057	1442	840	1110	8.4	4.9	6.5
Meeker	10783	10938	11005	1040	805	860	9.6	7.4	7.8
Renville	11649	12160	11919	968	860	975	8.3	7.1	8.2
REGION 7E	54770	54614	55005	4424	3441	3961	8.1	6.4	7.2
Chisago	15938	15792	15964	890	746	798	5.6	4.7	5.0
Isanti	14296	14185	14208	848	737	652	5.9	5.2	4.6
Kanabec	5726	5784	5734	730	547	672	12.7	9.5	11.7
Mille Lacs	9151	9170	9283	902	670	932	9.9	7.3	9.0
Pine	9657	9683	9816	1054	791	1007	10.9	8.2	10.3
REGION 7W	118408	116940	118061	9355	6711	8537	7.9	5.7	7.2
Benton	12787	12522	12762	1195	747	1138	9.3	6.0	8.9
Sherburne	15479	15559	15360	1357	1214	1200	8.8	7.8	7.8
Stearns	53779	53068	53650	4530	3043	4267	8.4	5.7	8.0
Wright	36363	35791	36289	2273	1707	1932	6.3	4.8	5.3

1/ Benton, Stearns, and Sherburne Counties

ST. CLOUD MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	Nov. 1985	Oct. 1985	Nov. 1984	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	62392	63148	61603	-1.2	1.3
Total Manufacturing	9571	10121	10263	-5.4	-6.7
Durable Goods	5045	5611	5570	-10.1	-9.4
Nondurable Goods	4526	4510	4693	0.4	-3.6
Total Nonmanufacturing	52821	53027	51340	-0.4	3.3
Construction	3480	3532	3039	-1.5	14.5
Transp., Comm. & Pub. Util.	4066	4066	3765	0.0	8.0
Wholesale Trade	3200	3222	3035	-0.7	5.4
Retail Trade	15187	15305	14803	-0.8	2.6
Finance, Insur. & Real Estate	2113	2108	2035	0.2	3.8
Service & Miscellaneous	12563	12604	12404	-0.3	1.3
Government	12212	12190	12259	-0.2	0.4

The unemployment rate for the St. Cloud MSA jumped to 8.6 percent in November, the highest since March, and half a percentage point higher than during November of 1984. In fact, since the 1960's, during only November 1983 was this month's unemployment rate higher (at 9.0 percent). But while the number of jobless was at a near record high, the number working was greater than ever before at this time of the year primarily because of a fairly strong ongoing growth in population and jobs.

The overwhelming reason for the surge in unemployment was a layoff at a large manufacturer of refrigeration equipment which shows up as a drop in durable goods manufacturing in the lower table below. Otherwise, from October to November 1985, employment in all industries remained virtually unchanged. Over the year, however, employment changes were mixed, with manufacturing -- especially durables--decreasing, and nonmanufacturing--mainly construction-increasing.

The relative jump in unemployment for November 1985 does not mark an economic downturn for the St. Cloud area, but rather some belt tightening in one industry that experienced reduced orders for their product. Overall, the unemployment rate has been lower during 1985 than in 1984.

Analysis of Local Conditions

MINNEAPOLIS-ST. PAUL MSA

by Bruce Steuernagel

The unemployment rate in the Twin Cities area rose in November to 4.9 percent compared to 4.5 percent in October and 4.4 percent in November 1984. Typically the unemployment rate has edged upwards by an average of 0.2 percentage point between October and November as seasonal construction activity slows. This year the area experienced earlier than usual cold and snow during early November which caused greater than usual increase in construction related unemployment. Cutbacks continue to occur in the manufacturing sector.

Compared to a year ago, the November unemployment rate in the Twin Cities area is higher primarily because of layoffs in the durable goods manufacturing industries. According to data on persons claiming unemployment insurance, individuals who last worked in durable goods manufacturing firms account for over half of the increase in unemployment insurance claims between November 1984 and 1985. The counties which have experienced the fastest increase in the number of unemployed over the past year are the northern and western suburban counties. According to the 1980 Census, residents in these counties were employed in manufacturing industries to a greater degree than residents of Hennepin, Ramsey and Dakota counties. For example, 31 percent of employed Anoka county residents work in a manufacturing industry compared to 20 percent of Hennepin county residents. Consequently, layoffs in manufacturing firms are more likely to cause an increase in the Anoka county unemployment rate than in the Hennepin county rate.

Employment trends in the Twin Cities metropolitan area are somewhat clouded by the mixed signals which the two employment series are giving. According to the labor force employment series which measures employed residents of the Twin Cities, total employment is lower than a year ago. On the other hand, a monthly survey of establishments in the Twin Cities area shows that the number of jobs held in the metropolitan area is 1.8 percent higher than a year ago. Regardless of which series one looks at, it is apparent that employment growth has slowed considerably during 1985. Manufacturing jobs have been cut in eight of the last nine months. After adjusting for usual seasonal changes between October and November jobs were added in the trade and service industries while they were mostly unchanged in construction, transportation, communication, public utilities, finance and government.

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP RATE		
	Nov. 1985	Oct. 1985	Nov. 1984	Nov. 1985	Oct. 1985	Nov. 1984	Nov. 1985	Oct. 1985	Nov. 1984
Minneapolis-St. Paul MSA*	1,294,691	1,287,773	1,296,793	63,995	57,790	57,413	4.9	4.5	4.4
REGION 11	1,201,552	1,195,785	1,204,859	58,644	53,080	52,993	4.9	4.4	4.4
Anoka	121,172	120,567	120,869	6,619	6,034	5,418	5.5	5.0	4.5
Carver	22,489	22,422	22,465	969	906	777	4.3	4.0	3.5
Dakota	120,693	120,039	120,957	5,815	5,182	5,179	4.8	4.3	4.3
Hennepin	564,771	562,432	566,997	27,125	24,881	25,137	4.8	4.4	4.4
Ramsey	275,119	273,667	276,296	13,406	12,000	12,532	4.9	4.4	4.5
Scott	27,250	27,045	27,074	1,566	1,366	1,189	5.7	5.1	4.4
Washington	70,058	69,613	70,199	3,144	2,711	2,761	4.5	3.9	3.9
Chisago*	15,938	15,792	15,364	890	746	798	5.6	4.7	5.0
Isanti*	14,298	14,[illegible]	14,208	848	737	652	5.9	5.2	4.6
Wright*	36,363	35,791	36,289	2,273	1,707	1,932	6.3	4.8	5.3
St. Croix, WI	26,540	26,220	25,473	1,340	1,520	1,036	5.0	5.8	4.1
Bloomington	49,263	49,004	49,325	2,457	2,206	2,152	5.0	4.5	4.4
Minneapolis	218,366	217,137	218,940	11,287	10,094	10,238	5.2	4.6	4.7
St. Paul	160,379	159,510	161,150	8,675	7,833	8,257	5.4	4.9	5.1

* Chisago, Isanti and Wright counties are a part of the Minneapolis/St. Paul-MN-WI MSA, but are included in Region 7.

Analysis of Local Conditions

MPLS-ST. PAUL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Nov. 1985	Oct. 1985	Nov. 1984	Oct. 1985	Nov. 1984	Nov. 1985	Oct. 1985	Nov. 1985	Oct. 1985	Nov. 1985	Oct. 1985
Total Nonagricultural	1,235.6	1,234.3	1,213.6	0.1	1.8	-	-	-	-	-	-
Manufacturing	256.1	257.9	261.5	-0.7	-2.1	441.86	442.26	10.91	10.92	40.5	40.5
Durable Goods	162.2	163.9	168.0	-1.1	-3.5	458.96	454.84	10.98	10.96	41.8	41.5
Lumber and Furniture	7.4	7.6	7.2	-3.0	3.7	445.44	441.58	11.54	11.44	38.6	38.6
Stone, Clay and Glass	3.0	3.0	3.6	-1.3	-18.1	418.74	411.67	9.97	10.61	42.0	38.8
Primary Metals	4.4	4.5	4.5	-1.3	-2.3	347.27	348.29	9.02	9.07	38.5	38.4
Fabricated Metals	28.1	28.4	28.4	-1.1	-1.1	509.09	513.83	12.15	12.09	41.9	42.5
Nonelectrical Machinery	70.3	71.2	73.9	-1.3	-4.9	472.63	473.48	11.28	11.22	41.9	42.2
Office and Computing	36.6	37.3	39.4	-1.8	-7.2	528.12	527.85	11.71	11.73	45.1	45.0
Electrical Machinery	16.2	16.4	17.9	-1.4	-9.4	378.56	360.99	9.10	9.07	41.6	39.8
Transportation Equipment	4.3	4.2	4.0	1.0	6.0	700.90	630.95	13.99	13.99	50.1	45.1
Scientific Instruments	24.0	24.0	24.4	0.0	-1.6	412.41	420.02	10.01	10.17	41.2	41.3
Miscellaneous Manufacturing	4.5	4.5	4.0	-0.4	10.2	401.81	383.72	9.41	9.18	42.7	41.8
Nondurable Goods	93.9	94.0	93.5	-0.1	0.4	413.57	422.37	10.77	10.83	38.4	39.0
Food and Kindred	18.5	18.5	18.5	-0.1	-0.2	386.78	380.84	9.55	9.45	40.5	40.3
Textiles and Apparel	2.0	2.0	2.4	-0.1	-17.0	231.48	227.50	6.43	6.25	36.0	36.4
Paper and Allied	25.7	25.8	26.2	-0.3	-1.6	447.72	466.56	11.48	11.52	39.0	40.5
Printing and Publishing	30.1	30.0	28.9	0.5	4.3	410.69	423.61	11.16	11.48	36.8	36.9
Chemicals and Petroleum	8.5	8.5	8.3	-0.1	2.4	471.99	499.43	12.62	12.58	37.4	39.7
Rubber, Plastic and Leather	9.1	9.3	9.3	-1.5	-1.9	374.79	369.20	9.30	9.23	40.3	40.0
Nonmanufacturing	979.6	976.4	952.1	0.3	2.9	-	-	-	-	-	-
Mining	-	-	-	-	-	-	-	-	-	-	-
Metal Mining	-	-	-	-	-	-	-	-	-	-	-
Construction	53.5	55.2	51.3	-3.1	4.3	605.69	646.29	16.37	16.70	37.0	38.7
Transport., Comm., & Pub. Util	68.0	67.9	68.2	0.2	-0.3	-	-	-	-	-	-
Transportation	46.0	45.8	45.0	0.4	2.1	-	-	-	-	-	-
Trucking and Warehousing	15.5	15.3	16.8	1.4	7.7	382.19	405.69	12.49	12.56	30.6	32.3
Communication and Public Util	22.1	22.1	23.2	0.0	-4.8	528.26	559.37	13.65	13.61	38.7	41.1
Trade	307.0	303.4	304.1	1.2	1.0	239.46	243.17	8.09	8.16	29.6	29.8
Wholesale	79.2	79.2	77.8	0.1	1.8	408.67	405.30	10.56	10.61	38.7	38.2
Retail	227.8	224.2	226.3	1.6	0.7	189.38	193.66	7.04	7.12	26.9	27.2
Building Materials	9.8	10.0	10.0	-1.1	-1.7	327.71	333.61	9.39	9.14	34.9	36.5
General Merchandise	40.3	38.1	41.2	5.8	-2.3	177.12	182.60	6.56	6.64	27.0	27.5
Food Stores	26.5	26.3	26.9	0.9	-1.5	237.92	241.82	8.29	8.31	28.7	29.1
Automotive	22.3	22.4	20.6	-0.3	8.3	387.50	400.67	9.86	10.30	39.3	38.9
Apparel	12.2	12.0	12.1	1.1	0.8	123.05	126.00	5.35	5.25	23.0	24.0
Home Furnishings	9.5	9.5	8.5	0.5	11.8	196.12	199.00	7.08	7.21	27.7	27.6
Eating and Drinking	76.7	76.6	75.0	0.2	2.3	100.59	100.74	4.79	4.82	21.0	20.9
Fin., Insur., Real Est.	83.9	83.9	80.6	-0.1	4.1	316.59	316.59	8.65	8.65	36.6	36.6
Finance	35.3	35.2	33.9	0.4	4.0	318.32	317.58	8.65	8.63	36.8	36.8
Insurance	34.0	33.9	32.5	0.3	4.8	364.65	365.04	9.35	9.36	39.0	39.0
Real Estate	14.5	14.8	14.2	-1.8	2.6	212.58	214.59	6.77	6.90	31.4	31.1
Services	303.7	305.3	288.2	-0.5	5.4						
Personal Services	15.2	15.3	13.5	-0.2	13.0						
Business Services	72.8	73.2	68.5	-0.5	6.3						
Repair Services	14.5	14.5	14.2	0.1	2.5						
Health Services	77.4	77.4	74.2	0.1	4.4						
Hospitals	27.3	27.3	27.0	0.0	1.2						
Nursing Homes	21.9	21.9	21.0	0.4	4.6						
Legal Services	9.7	9.6	8.8	1.5	10.5						
Private Education	16.5	16.5	15.6	0.1	6.1						
Government	163.4	160.8	159.8	1.6	2.3						
Federal	19.0	19.0	18.0	0.3	5.6						
State	49.6	48.1	48.8	3.1	1.7						
Education	28.6	27.1	27.1	5.4	5.2						
Local	95.2	93.7	93.0	1.7	2.4						
Education	53.2	51.9	51.8	2.5	2.8						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Analysis of Local Conditions

NORTHEAST MINNESOTA

by Mike Casey

Seasonal factors influenced the labor force estimates in northeastern Minnesota between October and November. Employment declines combined with increased unemployment to raise the unemployment rate for the region by nearly two percentage points above the rate for the month of October.

Even though the estimated number of jobholders dropped by nearly 2,000 the decline was less than the average number of jobs lost for this time of year over the past seven years. Employment losses were most noteworthy in the construction and mining industries as gains in several other industries were not strong enough to offset the seasonal declines.

Job losses are expected to continue over the short term, at least until February, before the economy begins its seasonal improvement. Historically, significate declines occur in December, to be followed by more modest employment losses in January. Overall, about 1,500 2,000 more jobs may be temporarily lost. Compared with one year ago, however, the outlook for improving employment opportunities is not so certain as some 8,000 fewer jobs are available throughout northeastern Minnesota.

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	NOV. 1985	OCT. 1985	NOV. 1984	NOV. 1985	OCT. 1985	NOV. 1984	NOV. 1985	OCT. 1985	NOV. 1984
REGION 3	132,488	131,866	142,300	15,915	13,333	17,676	12.0	10.1	12.4
Aitkin	5,194	5,246	5,429	744	594	816	14.3	11.3	15.0
Carlton	11,087	11,129	12,025	1,489	1,359	1,305	13.4	12.2	10.9
Cook	2,095	2,282	2,196	200	159	252	9.5	7.0	11.5
Itasca	16,875	16,610	17,756	2,490	1,979	2,503	14.8	11.9	14.1
Koochiching	7,336	7,385	7,823	1,002	896	789	13.7	12.1	10.1
Lake	4,338	4,378	4,262	601	531	718	13.9	12.1	16.8
St. Louis	85,563	84,836	92,809	9,389	7,815	11,293	11.0	9.2	12.2
Duluth Only	33,901	33,885	36,373	2,547	2,182	2,820	7.5	6.4	7.8
Balance St. Louis	51,662	50,951	56,436	6,842	5,633	8,473	13.2	11.1	15.0

DULUTH AND DULUTH-SUPERIOR MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT DULUTH			PERCENT CHANGE		EMPLOYMENT DULUTH-SUPERIOR			PERCENT CHANGE	
	NOV. 1985	OCT. 1985	NOV. 1984	Mo. Ago	Yr. Ago	NOV. 1985	OCT. 1985	NOV. 1984	Mo. Ago	Yr. Ago
Total Nonagricultural Wage & Salary	41,680	41,550	41,110	0.3	1.4	85,140	85,790	86,760	-0.8	-1.9
Total Manufacturing	3,330	3,430	3,410	-3.1	-2.3	6,430	6,510	6,430	-1.1	0.0
Durable Goods	1,530	1,620	1,710	-5.9	-10.4	3,420	3,490	3,560	-2.0	-4.0
Nondurable Goods	1,800	1,810	1,700	-0.6	5.9	3,010	3,020	2,860	-0.2	5.2
Total Nonmanufacturing	38,350	38,110	37,700	0.6	1.7	78,700	79,280	80,330	-0.7	-2.0
Construction	1,310	1,430	1,340	-8.4	-2.5	2,880	3,080	3,080	-6.4	-6.4
Transp., Comm. & Pub. Util.	3,290	3,300	3,350	-0.3	-2.0	6,210	6,190	6,950	0.3	-10.6
Wholesale Trade	1,780	1,750	1,910	1.7	-6.5	3,920	3,840	4,060	2.1	-3.4
Retail Trade	9,150	8,930	9,440	2.4	-3.1	17,400	17,380	18,370	0.1	-5.3
Finance, Insur. & Real Estate	1,780	1,760	1,710	1.2	4.1	3,070	3,030	2,950	1.3	4.2
Service & Miscellaneous	11,470	11,440	11,130	0.2	3.0	24,950	25,250	25,750	-1.2	-3.1
Government	9,580	9,500	8,810	0.8	8.7	20,260	20,510	19,180	-1.2	5.7

Analysis of Local Conditions

SOUTHERN MINNESOTA

by Mike Casey

LABOR FORCE ESTIMATES									
AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	NOV. 1985	OCT. 1985	NOV. 1984	NOV. 1985	OCT. 1985	NOV. 1984	NOV. 1985	OCT. 1985	NOV. 1984
REGION 6W	**30,617**	**30,875**	**31,472**	**2,599**	**1,663**	**2,294**	**8.5**	**5.4**	**7.3**
Big Stone	3,795	3,897	4,094	246	182	304	6.5	4.7	7.4
Chippewa	7,468	7,382	7,568	795	443	594	10.6	6.0	7.8
Lac Qui Parle	5,616	5,666	5,788	390	247	376	6.9	4.4	6.5
Swift	6,202	6,217	6,389	663	416	585	10.7	6.7	9.2
Yellow Medicine	7,536	7,713	7,633	505	375	435	6.7	4.9	5.7
REGION 8	**74,399**	**76,166**	**76,294**	**4,991**	**3,882**	**4,540**	**6.7**	**5.1**	**6.0**
Cottonwood	7,124	7,385	7,468	497	411	494	7.0	5.6	6.6
Jackson	8,179	8,547	7,893	637	482	370	7.8	5.6	4.7
Lincoln	3,673	3,805	3,859	271	176	280	7.4	4.6	7.3
Lyon	15,676	15,703	16,283	1,100	757	1,112	7.0	4.8	6.8
Murray	5,866	6,057	6,177	423	333	480	7.2	5.5	7.8
Nobles	11,608	11,838	12,144	745	604	739	6.4	5.1	6.1
Pipestone	5,674	5,842	6,001	302	254	299	5.3	4.3	5.0
Redwood	11,002	11,247	10,707	731	648	538	6.6	5.8	5.0
Rock	5,597	5,742	5,762	285	217	228	5.1	3.8	4.0
REGION 9	**117,987**	**119,048**	**119,840**	**7,664**	**6,300**	**7,030**	**6.5**	**5.3**	**5.9**
Blue Earth	27,976	28,127	29,025	1,453	1,280	1,411	5.2	4.6	4.9
Brown	14,882	14,954	15,156	934	700	986	6.3	4.7	6.5
Faribault	10,333	10,977	10,948	708	582	609	6.5	5.3	5.6
Le Sueur	11,763	11,905	11,372	1,157	1,003	978	9.8	8.4	8.6
Martin	13,884	13,991	13,982	981	760	816	7.1	5.4	5.8
Nicollet	14,794	14,801	15,322	823	660	777	5.6	4.5	5.1
Sibley	8,086	8,207	8,317	601	420	513	7.4	5.1	6.2
Waseca	9,241	9,427	8,947	624	544	519	6.8	5.8	5.8
Watonwan	6,528	6,659	6,771	383	351	421	5.9	5.3	6.2
REGION 10	**224,513**	**224,938**	**222,080**	**14,799**	**11,529**	**13,879**	**6.6**	**5.1**	**6.2**
Dodge	8,623	8,857	8,493	646	532	605	7.5	6.0	7.1
Fillmore	12,479	12,737	12,444	821	660	884	6.6	5.2	7.1
Freeborn	17,794	17,971	17,909	1,311	1,038	1,257	7.4	5.8	7.0
Goodhue	20,273	20,451	20,358	1,244	1,047	1,351	6.1	5.1	6.6
Houston	10,016	10,327	10,559	648	486	640	6.5	4.7	6.1
Mower	18,719	18,086	17,934	1,916	996	1,085	10.2	5.5	6.0
Olmsted	63,380	62,827	60,624	2,958	2,367	2,947	4.7	3.8	4.9
Rice	24,051	23,923	23,848	1,752	1,433	1,666	7.3	6.0	7.0
Steele	16,558	16,883	16,914	1,023	918	1,067	6.2	5.4	6.3
Wabasha	9,718	9,853	9,721	940	776	835	9.7	7.9	8.6
Winona	22,902	23,023	23,276	1,540	1,276	1,542	6.7	5.5	6.6
Rochester City	**40,066**	**39,716**	**38,281**	**2,145**	**1,771**	**2,083**	**5.4**	**4.5**	**5.4**

ROCHESTER MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	NOV. 1985	OCT. 1985	NOV. 1984	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	**57,020**	**56,780**	**55,550**	**0.4**	**2.6**
Total Manufacturing	11,220	11,210	10,980	0.1	2.2
Durable Goods	9,250	9,260	9,270	- 0.1	- 0.2
Nondurable Goods	1,970	1,950	1,710	1.0	15.2
Total Nonmanufacturing	45,800	45,580	44,570	0.5	2.8
Construction & Mining	2,190	2,280	2,080	- 3.9	5.3
Transp., Comm., & Pub. Util.	1,900	1,910	1,890	- 0.5	0.5
Wholesale Trade	1,400	1,390	1,330	0.7	5.3
Retail Trade	11,150	10,940	10,780	1.9	3.4
Fin., Insur., & Real Estate	1,590	1,600	1,510	- 0.6	5.3
Total Services	22,610	22,510	21,980	0.4	2.9
Health Services	16,390	16,330	15,950	0.4	2.8
Other Services	6,220	6,180	6,030	0.6	3.2
Government	4,970	4,950	5,010	0.4	- 0.8

It would appear that the problems associated with the farm economy are beginning to affect the nonagricultural sector. Estimates of employment for the eleven-month period beginning in January 1985 have fallen below employment levels for the same period one year earlier in three of the four economic development regions in southern Minnesota. Employment losses have been relatively higher in the more rural areas where fragile economies are supported in large part, by income generated through farming activities.

Employment levels in 1985 are averaging 2.2 percent below the year-ago figures in Region 6W, while employment losses have been more moderate in Region 8, averaging about 0.7 percent under the 1984 estimate. In Region 9, total employment has edged downward by less than one-half of one percent during the first eleven months of 1985. Only in Region 10 has the number of jobs increased over the year, with employment averaging about two percent above 1984's level.

These unfavorable comparisons of employment in Regions 6W, 8, and 9 have been concentrated in the July-November period for the most part. This would indicate that the estimates for the first half of 1986 will continue to fall below the year-ago level in the three regions where economic growth is very dependent on the success of the farming economy.